(c) Authorise RBI to issue directions for the purpose of carrying out the Act.

5. Amendment to RBI Act to authorise the Reserve Bank to issue directions to the SEBI in so far as the regulation of debt market is concerned.

6. Exemption to RBI from the Forward Contracts (Regulations) Act, 1952 to enable it to deal inforward trading in gold related securities and delegating regulatory powers to the Bank in this regard.

7. Amendment of Banking Regulation Act to confer specific powers to the Reserve Bank to determine "approved securities" for the purpose of S.L.R.

8. Amend the Companies (Acceptance of Deposit) Rules to exempt bonds and debentures from the definition of 'deposit' thereunder leaving it to RBI to regulate them.

Regulatory

1. Money market regulations should be with the Bank except for listing, trading and settlement of Commercial Paper, Certificate of Deposit, etc. in secondary market. There should be coordination with SEBI in this regard.

2. There should be monitoring mechanism for Subsidiary General Ledger II Account to take care of maipulation in the account.

3. There should be a regulatory framework for private placement of debt and equity.

4. Ceiling on guarantees by Central/State Governments to public sector units for their bond issues to be necessary.

5. Regulatory frame work for derivatives trading by RBI.

6. Statutory computer audit system should be introduced.

7. Provision to be made for electronic authentication of duments in debt market.

8. Make available on line information to regulate market to prevent distortion.

9. Common and standard procedure for disclosure and handling of grievances.

10. Separate standard listing agreement for debt.

11. Clearing and settlement corporation guaranteeing settlement for market as a whole.

12. Comprehensive single framework of requirements for market intermediaries of debt like Primary dealers and Satellite dealers and members of stock exchanges.

Regularisation of Casual Workers of L.I.C.

2515. SHRI DAWA LAMA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that no candidate from Darjeeling Kurseong and Kalimpong sub-division and Sikkim passed in the interview for Group C and D staffs, conducted by LIC at North Bengal in 1998;

(b) whether it is a fact that some of the candidates are working as casual workers at Darjeeling Divisional Office of LIC for 10—12 years;

(c) whether Government propose to enquire into such an unusual result; and

(d) whether Government would consider to regularise the casual workers of LIC working for more than five years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE BANKING, REVENUE AND INSURANCE (SHRI KADAMBUR M. R. JANARTHANAN): (a) LIC has reported that in North Bengal there was no recruitment for Group C posts in the year 1998. Written test/Interview was held for Group-D posts only. None from Darjeel-

ing, Kurseong and Kalimpong sub-division and Sikkim state passed the interview.

(b) LIC has reported that three casual workers working in Darjeeling branch office of LIC were called for written test.

(c) and (d) LIC engages casual workers according to office exgencies. The Services of casual workers cease after them completion of the work; however, they may compete alongwith other eligible candidates for recruitment on a regular basis, if they fulfil the eligibility conditions. The recruitment of Group 'C' and Group 'D' staff is within the competence of LIC and are governed by regulations.

Spending of Funds at the end of Financial Year

2516. PROF. VIJAY KUMAR MALHOTRA: Will the Minister of FINANCE be pleased to state:

(a) Whether Government are aware that many Ministries/Departments spend bulk of their funds towards the end of the financial year i.e. February/March against the procedure laid down; and

(b) if so, what steps are proposed to be taken to ensure strict adherence to the procedure/guidelines laid down for the purpose?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) Under the General Financial Rules, the Department of the Central Government administratively concerned or the authority on whose behalf a Grant or Appropriation is authorised by Parliament, shall be responsible for the control of expenditure against the sanctioned grants and appropriations placed at its disposal. These rules also prescribe that rush of expenditure particularly in the closing months of the financial year shall be regarded as a breach of financial regularity and should be avoided. Instructions are issued from time to time stressing the need for even spread of expenditure, greater convergence of revenue inflows and expenditure outflows and better regulation of expenditure flows leading to better implementation of Plan schemes. The actual trends of expenditure in the Ministries/Departments of the Government are watched closely through the Financial Advisers and timely interventions made/actions taken to check any irregular flow of expenditure. This is a continuous exercise.

Applications for setting up of new Private Banks

2517. SHRI SATISH CHANDRA SITARAM PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has received applications seeking grant of permission to set up new private banks;

(b) if so, the details of the applications received so far,

(c) the details of the licences granted, rejected and kept pending as on date with salient feature of the banking proposals cleared during the last two years till date, State-wise in general and Maharashtra in particular;

(d) the details of the proposals pending and the reasons therefor; and

(e) the details of policy changes effected recently/proposed/under consideration on policy governing private banking?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE BANKING, REVENUE AND INSURANCE (SHRI KADAMBUR M. R. JANARTHANAN): (a) to (e) Consequent on issue of the guidelines dated 22nd January, 1993 regarding entry of new banks in the private sector, Reserve Bank of India have so far received 66 applications for setting up of new banks in the private sector.

Out of these, licences have been issued for setting up nine new banks. 'In principle' approval was granted to three applicants and in two of these cases the 'in principle' approval was withdrawn. 14